GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:4529
ANSWERED ON:18.12.2000
FINANCIAL CRISIS IN POWER PROJECTS
HARIBHAU MAHALE;P.R. KHUTE;T. GOVINDAN

Will the Minister of POWER be pleased to state:

(a) whether the Government are aware that some on-going power projects are facing acute financial crisis for their completion in the country;

(b) if so, whether the Government have assessed the funds required for completion of these projects during the last year;

(c) if so, the details thereof project wise and State-wise;

(d) the sources from which funds are likely to be collected during this year and the next two years, source-wise; and

(e) the further steps taken by the Government to help the State Governments in solving the financial crisis with regard to improvement of power transmission by the State Electricity Boards?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER(SHRIMATI JAYAWANTI MEHTA)

(a) to (c): The details of thermal and hydro projects which are languishing due to paucity of funds, their latest estimated cost, etc. are given below:

S.No. Name of Project/Implementing Agency Capacity Latest estimated (MW) Cost(Rs. Crore)

Thermal Projects facing acute financial crisis

1. Tenughat TPP St.II (TVNL) 3x210 2400.00

2. Muzaffarpur TPS (BSEB) 2x250 2250.00

3. Gas Based CCGT project at Amguri 2x30 GT+ 1x30 ST1200.00

On-going H.E. Project languishing due to paucity of funds.

1. Upper Sindh-II (J&K) 2x35 399.50

2. Upper Sindh-II Extn. (J&K) 1x35 42.27

3. Chenani-III (J&K) 3x2 46.23

4. Sewa-III (J&K) 3x3 60.00

5. Shahpurkandi Ph.I&II (Punjab) 2x40+2x40+1x8 1538.00
6. Maneri Bhali-II (U.P.) 4x76 1249.18+

7 Lakhwar Vyasi (U.P.) 3x100+2x60 1446.00

8. Katapathar (U.P.) 2x9.5 27.58

9. Dhansiri (Assam) 5x3x1.33 78.63
10. Karbi Langpi (Lower Borpani)(Assam) 2x50 288.37

+ Estimated completion cost

(d): No decision has yet been made on how the resources would be raised for the above projects.

(e): The Government is considering to set up special funds for providing financial assistance to SEBs/utilities to undertake power transmission and distribution improvement, under the Accelerated Power Development Programme (APDP). The funds are proposed to be provided to the SEBs/power utilities for
(i) Renovation, Modernisaiton and Upgradation of power stations (both hydro and thermal),
(ii) Strengthening upgradation/improvement of sub-transmission and distribution scheme.

The Government has also enacted the Electricity Laws(Amendment) Act, 1998 which treats transmission as a distinct activity and would also promote private sector investment in the transmission area. Guidelines have also been issued in January, 2000 for private sector investment in the transmission sector.